



U.S. Department of Justice

*United States Attorney
Northern District of Illinois
Western Division*

*Scott A. Verseman
Assistant U.S. Attorney*

*308 West State Street - Room 300
Rockford, Illinois 61101*

*PH: (815) 987-4444
FAX: (815) 987-4236*

December 20, 2006

ROCKFORD LOAN OFFICER AND BUSINESS OWNER PLEAD GUILTY TO MORTGAGE FRAUD SCAM

ROCKFORD – PATRICK J. FITZGERALD, United States Attorney for the Northern District of Illinois; ROBERT D. GRANT, Special Agent-In-Charge of the Chicago Office of the Federal Bureau of Investigation; and BARRY McLAUGHLIN, Special Agent-In-Charge of the Chicago Field Office of the Department of Housing and Urban Development – Office of the Inspector General (“HUD-OIG”), today made the following announcement:

Today in federal court in Rockford, a local mortgage loan officer and the owner of an accounting business pleaded guilty to charges relating to a scheme to defraud private lenders and the federal government in connection with mortgage loans.

FRANK J. MAZZARESE, 32 (DOB: 03/05/74), 3753 Gina Terrace, Rockford, Illinois, and **MARIE E. CALTAGERONE**, 65 (DOB: 07/26/41), 3603 Schalck Drive, Rockford, Illinois, each pleaded guilty today to conspiring to commit mail fraud and to make material false statements to a federal agency (HUD).

Mazzarese was employed as a loan officer at Prism Mortgage in Rockford, which later became RBC Mortgage Company, from September 2001 through March 2003. From March 2003 through May 2004, Mazzarese was employed as a loan officer at Irwin Mortgage in Rockford. Mazzarese received a commission for each such loan he successfully arranged. Caltagerone owns and operates Caltagerone Accounting in Rockford.

In pleading guilty today, Caltagerone admitted that she frequently referred her accounting customers to Mazzarese to obtain loans for home purchases and to re-finance their existing loans. Both Mazzarese and Caltagerone admitted that many of Mazzarese’s loan customers worked for cash or otherwise had insufficient verifiable income to qualify for loans. They both further admitted that, in order to deceive private lenders into providing loans for these customers, they caused false employment information to be submitted to the lenders. Some of these loans were later submitted to HUD for FHA insurance.

Specifically, Caltagerone admitted that, at the request of Mazzarese, she created fraudulent “Verification of Employment” forms. These fraudulent forms listed false income figures for the loan applicants. Caltagerone further admitted that she also created fraudulent pay stubs and false W-2s. Mazzarese admitted that, after he received the false documents from Caltagerone, he submitted them to the private lenders and HUD in his customers’ loan application files. According to his plea

agreement, between September 7, 2001 and May 18, 2004, Mazzaresse submitted a total of twelve loan files which contained fraudulent employment documents prepared by Caltagerone.

The sentencing hearings for both Mazzaresse and Caltagerone have been scheduled for March 30, 2007. The sentencing hearings will be conducted by United States District Judge Philip G. Reinhard. The charge to which both defendants pleaded guilty carries a maximum sentence of up to 5 years of imprisonment, a fine of up to \$250,000, and restitution. The actual sentence for each defendant will be determined by the United States District Court, guided by the United States Sentencing Guidelines.

The case is being investigated by the Rockford office of the FBI and the Chicago office of HUD-OIG. The case is being prosecuted in federal court by Assistant United States Attorney SCOTT A. VERSEMAN.

#####